THE HON'BLE SRI JUSTICE R.SUBHASH REDDY

WRIT PETITION No.17269 of 2000

DATED: 27.06.2007

Between:

United Bank of India, Bank Street,
Hyderabad, rep. by its Branch Manager.

.. Petitioner

And

The Banking Ombudsman,
Andhra Pradesh, RBI Building,
Hyderabad and another. .. Respondents

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ORDER:

In this writ petition, the petitioner has questioned the award, dated 27.06.1997, in complaint No.42/97-98 passed by the Banking Ombudsman, the first respondent herein, under clause 20 of the Banking Ombudsman Scheme, 1995.

2. It is the case of the petitioner-Bank that it has lent some amounts as loan to a Company by name M/s.Delhi Tubes (P) Limited, Hyderabad, and in connection with the said loan transactions, the material, namely HR coils along with other properties stored in the premises of M/s.Delhi Tubes Private Limited were hypothecated to it. While so, when the said HR coils, which were hypothecated were seized by the petitioner-Bank, the second respondent made a complaint before the Banking Ombudsman-first respondent herein under complaint No.42/97-98 claiming ownership and title over the said HR coils and for release of the same, and as such, the first respondent passed impugned award directing the petitioner to release the said material in favour of the second respondent.

Further, it is the case of the petitioner that the first respondent was created under Banking Ombudsman Scheme, 1995 and the scheme only provides redressal of grievances relating to banking services in between Bankers and Customers and that the impugned award passed by the first respondent is beyond the scope of the

Banking Ombudsman Scheme and it has no jurisdiction to adjudicate the title or ownership of the property as claimed by the second respondent, and that the impugned award is passed without jurisdiction and the same is liable to be set aside.

3. Heard both the counsel.

4. The learned counsel for the petitioner submitted that subsequent to the passing of the impugned award, the same was suspended by this Court on 15.09.2000, pending disposal of the writ petition. But, however, during pendency of the writ petition, M/s. Delhi Tubes Private Limited was ordered to be wound up by this Court vide its order dated 10.04.2000 made in RCC.No.5 of 1998, and the liquidator has taken charge of all the properties of the company, and as such, he has sold the properties of the said company including the material, namely HR coils, as per the directions of this Court, and a copy of the report of the Official Liquidator to that effect is also filed before this Court.

Having regard to the facts and circumstances of the case and also the submission made by the learned counsel for the petitioner, no further adjudication is necessary. Accordingly, the writ petition is closed. No order as to costs.

However, if the second respondent claims any right over the property of M/s.Delhi Tubes Private Limited, it is open for him to move the appropriate authority for the relief.

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(R.SUBHASH REDDY,J)

27.06.2000

v v